ECONOMIC INDICATORS

PER CAPITA PERSONAL INCOME
- 2012: $40,537
- Percent of National Average: 95.0 percent
- Percent Change from 2010: 2.4 percent
- 2002-2012 Compound Annual Growth Rate: 2.8 percent

CURRENT DOLLAR GDP
- 2011: $254.8 billion
- U.S. Rank: 21

REAL GDP
- 2011 Growth Rate: 1.1 percent
- 2001-2011 Compound Annual Growth Rate: 1.0 percent

LARGEST INDUSTRY CONTRIBUTORS TO GDP IN 2011
Durable goods manufacturing (11.5 percent); real estate and rental and leasing (10.8 percent)

LARGEST INDUSTRY CONTRIBUTORS TO GDP GROWTH, 2010-2011
Durable goods manufacturing (0.8 percentage points); nondurable goods manufacturing (0.30 percentage points)

KEY TAX RATES

STATE INDIVIDUAL INCOME TAXES
- Tax Rate Range (percent)
  » Low: 4.6
  » High: 7.75
- Income Brackets*
  » Lowest: $10,750
  » Highest: $236,600
- Number of Tax Brackets: 5

CORPORATE INCOME TAX RATES
- Tax Rate: 7.9 percent
- Lowest Tax Bracket: Flat rate
- Highest Tax Bracket: Flat rate
- Number of Tax Brackets: 1

EXCISE TAX RATES
- General Sales and Gross Receipts Tax: 5.0 percent
- Cigarettes: $2.52 per pack
- Distilled spirits: $3.25 per gallon plus an additional 11 cents per gallon administrative fee
- Motor Fuel Tax Rates (cents per gallon)**
  » Gasoline: 32.9
  » Diesel: 32.9
  » Gasohol: 32.9

* Income brackets reported are for single individuals. For married taxpayers filing jointly, the same tax rates apply to income brackets ranging from $14,330 to $315,460.
**Additional petroleum inspection fee.
COMMON BUSINESS INCENTIVE PROGRAMS

• Relocated Business Tax Credit or Deduction — Businesses that relocate to Wisconsin may be eligible for an income tax holiday if they have not done business in the state during the two previous taxable years. They may not have to pay any corporate or pass-through income taxes for a two-year period.

• Enterprise Zone Program — This program offers tax credits to a business startup or expansion in any area of the state that suffers from high unemployment, declining income and property values, and other indicators of economic distress.

• Manufacturing and Agriculture Credit — This tax credit is available for income derived from manufacturing or agricultural property located in Wisconsin and offsets a significant share of Wisconsin income taxes.

• Economic Development Tax Credits — Tax credits are allocated for the creation or retention of full-time jobs and are based on the wage range of the jobs, number of jobs to be created or retained, capital investment made by the business and training costs for new or current employees.

• Training Grants — These grants assist businesses in workforce retention and expansion into new markets and technology by providing funds to businesses to upgrade or improve the job-related skills of full-time employees.

• Rural Economic Development Program — This program makes individual awards up to $30,000 for feasibility studies and other professional assistance to rural businesses with fewer than 25 employees. Businesses that have completed feasibility evaluations are eligible for micro loans up to $25,000 for working capital and the purchase of equipment.

• Qualified New Business Venture Program — This program provides tax credits to eligible investors that make cash equity investments in qualified early-stage businesses.

• Job Creation Deduction — A subtraction from federal income—for tax calculation purposes—is allowed based on the increase in the number of full-time equivalent employees that are employed in Wisconsin during the taxable year.

• Property Tax Exemption — This exemption is available for machinery and equipment used in manufacturing, as well as for computers, software and electronic peripheral equipment.

• Direct Funding Loans — The Wisconsin Economic Development Corporation provides loans with flexible terms to businesses based on the overall economic benefit of the business to the local community, the significance of the capital investment, the number and quality of full-time jobs that are likely to be retained or created as a result of the project, the financial viability of the business and other factors.

• Sales and Use Tax Exemptions — Wisconsin provides exemptions for the purchase of manufacturing machinery and equipment, manufacturers’ materials, fuel and electricity used in manufacturing and pollution abatement, waste treatment and recycling equipment. In addition, the state provides exemptions targeted at specific industries, including meatpacking, printing, newspapers, logging and motion pictures.

• Global Business Development Grant Program — Wisconsin businesses can be eligible for matching grant funds for executing their medium- to long-term export strategies.

• Capital Catalyst Program — This program provides seed grants ranging from $100,000 to $250,000 to organizations or communities, business creation partners, that have existing seed funds in place or the ability to create such funds.

OVERSIGHT AND ACCOUNTABILITY MEASURES

The legislature in 2008 enacted Wisconsin Act 125 to improve accountability, efficiency and transparency in the administration of state economic development programs. The act requires agencies that administer economic development programs to establish goals and accountability measures for each program and to report to the legislature annually on the economic development programs and activities administered during the previous fiscal year. The state established a website, the Interactive Project Data page, to make information available regarding award-specific data, including information on the amount and recipient of each award made during the previous fiscal year, the location and industry classification of each award recipient, and the activity or activities the recipient is contractually required to complete, such as creating, retaining or training a certain number of employees or expending a certain amount of funds for capital investment.

RECENT LEGISLATIVE HIGHLIGHTS

Wisconsin’s 2013-14 biennial budget lifted the lifetime cap on state angel investment tax credits, which, prior to 2013, had been capped at $47.5 million. In addition, the budget added $36 million in economic development tax credits and created a $25 million capital investment program designed to encourage business startups.